

KANSAS RACING AND GAMING COMMISSION

MINUTES – AUGUST 17, 2018

CALL TO ORDER (A.)

Chairman Brandon Jones called the August 17, 2018 meeting to order at 9:00 a.m. The meeting was held in the East Tower Conference Room of the Eisenhower State Office Building, 700 SW Harrison, in Topeka, KS. Commissioners David Moses, Larry Turnquist, and Dave Myres were also present. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of Administration, Audit, and Finance Brandi White, Director of Electronic Security and I.T. Dennis Bachman, Director of Security Joe Herridge, Recording Secretary Sarah Lynch-Chaput, and other staff.

MOTION, APPROVE AGENDA (B.)

Commissioner Moses (Turnquist) moved to approve the agenda. Motion carried unanimously.

MOTION, APPROVE JULY 13, 2018 MEETING MINUTES (C.1.)

Commissioner Turnquist (Myres) moved to approve the minutes of the July 13, 2018 meeting. Motion carried unanimously.

MOTION, APPROVE CONSENT AGENDA (D.)

Commissioner Turnquist (Myres) moved to approve the consent agenda. Motion carried unanimously.

LOTTERY GAMING FACILITY REPORTS/ITEMS; BOOT HILL CASINO & RESORT (E.1.a.)

Diane Giardine, General Manager, reported:

- July 2018 revenue numbers compared to July 2017:
 - Total gaming revenue increase of 3.34%
 - Total slot revenue up 2.43%
 - Table games revenue up 10.09%
- Past Promotions and Events:
 - 2019 Ram Truck Giveaway, July 27th
 - Dodge City Days Slot Tournament
 - Justin Moore, July 28th
- Upcoming Promotions and Events:
 - \$26,000 Free Play Giveaways
 - Tracy Byrd, September 13th
 - America Live!, September 29th
 - Casting Crowns, October 2nd
 - Hairball, October 12th

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; KANSAS
STAR
(E.2.a.)

Jeff Babinski, General Manager, reported:

- July 2018 revenue numbers compared to July 2017:
 - Admissions down 7.4%
 - Total gross gaming revenue down 0.2%
 - Slot coin-in up 0.7%
 - Slot hold down 0.07 points
 - Table game drop up 4.1%
 - Table game hold down 1.3 points
 - Poker revenue up 4.4%
- Past Events and Promotions:
 - Grand Funk Railroad, June 30th
 - Ratt with Quiet Riot, July 7th
 - Garden Bros Circus, July 14th
 - EFC Fighting Championship, July 21st
 - Peter Frampton, August 3rd
- Upcoming Events and Promotions:
 - Jay Leno, August 18th
 - Loverboy, September 29th
 - Midwest Beerfest, October 13th
 - National Final Steer Roping, November 2nd and 3rd

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;
HOLLYWOOD CASINO AT
KANSAS SPEEDWAY
(E.3.a.)

Richard Skinner, General Manager, reported:

- July 2018 revenue numbers compared to July 2017:
 - Total gaming revenue was \$12.8 million, an increase of \$467,000 or 3.8%
 - Table games revenue was \$1.4 million, a decrease of \$47,000 or 3.3%
 - Slot revenue was \$11.4 million, an increase of \$515,000 or 4.7%
- July Events and Promotions:
 - Play, Earn, and Get Promotion
 - \$50,000 Big Wheel Bonanza
 - VIP Mystery Drum Giveaway

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; KANSAS
CROSSING CASINO
(E.4.a.)

Doug Fisher, General Manager, reported:

- July 2018 revenue numbers compared to July 2017:
 - Admissions increased 5%
 - Net slot win increased 21%
 - Net table win increased 21%

- Net gaming revenue increased 20%
- Past Events and Promotions:
 - Brutus Cash Mine Promotion every Saturday in July
 - Camp 49 Kiosk Game every Wednesday in July
 - Hot Seats, Free Slot Pulls, Free Hot Dogs, July 4th
 - Flatware and Dinnerware Giveaway July 7th and 14th
 - Dueling Pianos, August 3rd and 4th
- Upcoming Events and Promotions:
 - Reza, Illusionist, August 25th
 - Walkout MMA, September 15th
 - BoStyx, Boston and Styx Tribute Show, October 13th
 - Quiet Riot, October 27th

COMMISSION ITEMS –
OLD BUSINESS
(F.)

There were no old business items.

COMMISSION ITEMS –
NEW BUSINESS
(G.)

Carol Spiker, Problem Gambling Program Manager, KDADS, spoke to the Commission about the programs and services that are provided through the Problem Gambling and Other Addictions Grant Fund. Commissioner Turnquist asked about the difference between total problem gambling helpline calls and the calls that required assistance, as well as if services are available to areas of the state outside of gaming zones. Commissioner Myres inquired what the total budget for the year for problem gambling services is. Commissioner Myres also asked what type of questions the Kansas Communities that Care Survey asks and what identifiers the survey uses. Commissioner Moses asked about the different programs the Problem Gambling and Other Addictions Grant Fund provides funding for.

PUBLIC COMMENTS
(H.)

There were no public comments.

STAFF REPORTS
(I.1.a. and I.2)

Sarah Lynch-Chaput, Legal Assistant, reported on the Voluntary Exclusion Program statistics for the month of July 2018.

Executive Director Brownlee reported:

- The Senate Federal and State Affairs Chairman has indicated he would like to hold off on the interim committee for sports wagering until after the general election.

- The September commission meeting will include the commissioners' review and approval of the KRGC budget.
- Commissioner Moses will not be able to make it to the September meeting.
- The next commission meeting is scheduled for September 14, 2018 at 10:00 a.m. in Topeka.

MOTION, EXECUTIVE
SESSION
(J.1)

Commissioner Turnquist (Myres) moved that the Commission go into executive session for the purpose of discussing confidential facility manager financial information regarding Kansas Star Casino, LLC. Those included in the executive session, in addition to the commissioners, were the executive director; general counsel; director of administration, finance, and audit; Todd Allen, auditor; and Adrian Perez, managing auditor. The total time for the executive session was anticipated to be fifteen minutes until 10:08 a.m. No action is to be taken in executive session, and the subject discussed is to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried unanimously and the meeting was adjourned to executive session at 9:53 a.m.

RECONVENE

The commission meeting returned to open session at 10:10 a.m. with all members present.

MOTION, EXECUTIVE
SESSIONS
(J.2)

Commissioner Moses (Turnquist) moved that the Commission go into executive session for the purpose of deliberating license applications, including reviewing confidential background reports. Those included in the executive session, in addition to the commissioners, were the executive director, general counsel, and director of security. The total time for the executive session was anticipated to be fifteen minutes until 10:26 a.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried unanimously and the meeting was adjourned to executive session at 10:11 a.m.

RECONVENE

The commission meeting returned to open session at 10:26 a.m. with all members present.

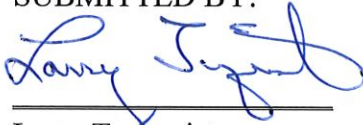
MOTION TO DENY,
CONDITIONALLY
APPROVE, APPROVE
RECONSIDERATION, ,
TABLE, AND APPROVE
LICENSE APPLICATIONS
(K.)

Commissioner Turnquist (Myres) moved to *deny* one license application, *conditionally approve* five license applications, *approve the request for reconsideration* of one license application, *table* one license application and *approve* the remaining 172 license applications from the August 17, 2018 list of background reports referred to the commission for action. Motion carried unanimously.

ADJOURN
(L.)

Commissioner Myres (Turnquist) moved to adjourn the meeting. Motion carried unanimously. The meeting was adjourned at 10:30 a.m.

SUBMITTED BY:



Larry Turnquist
Secretary

APPROVED BY:



Brandon Jones
Chairman